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FISCAL IMPACT REPORT

SPONSOR Smith DATE TYPED 02-17-04 HB _____

SHORT TITLE Gross Receipts on Sales to Prison Inmates SB 572

ANALYST Taylor

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	47.0	Similar	Recurring	Public Project Revolving Fund (NMFA)
	9.0	Similar	Recurring	Youth Conservation Coprs (EMNRD)
	6.0	Similar	Recurring	State Parks and Rec. Capital Improvement (EMNRD)
	1.0	Similar	Recurring	Office of Cultural Affairs

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Response Received From
Taxation and Revenue Department

SUMMARY

Senate Bill 572 imposes the governmental gross receipts tax on sales of tangible personal property by the corrections department to inmates of corrections facilities.

FISCAL IMPLICATIONS

Receipts from sales to inmates total approximately \$1.25 million, according to information that the Corrections Department provided to TRD. Multiplying \$1.25 million by the 5 percent governmental gross receipts rate implies that the tax would raise nearly \$63 million. This is distributed to the various recipients in the revenue table.

BT/lg